THE SUMMIT
CENTER FOR STATE EMPLOYEE DEVELOPMENT

Introduction to Succession Planning

What is Succession Planning?

Succession Planning is a strategy of workforce planning. It is a process designed to ensure the organization recruits and develops new hires and in-house staff to fill each key role within the organization. Its goal is similar to workforce planning – having "the right people in the right positions at the right time." The focus of succession planning, however, is on leadership and other positions critical to the mission of the organization at all levels.

"Key positions" might include leadership positions or specialized positions and roles that may be technical, content-specific, or otherwise hard to replace. They may require particular training, licensure, or background that is difficult to replicate.

Another way to describe succession planning is:
> *The process of identifying and preparing suitable employees through mentoring, training and job rotation, to replace key players within an organization as those key players leave their positions for whatever reasons – retirement, advancement, attrition, etc.*

Why is Succession Planning Important to Do?

- Through succession planning, the organization assesses its leadership needs. This leads to a formal evaluation of the knowledge, skills and abilities (KSAs) needed for your key roles. See the "Vermont Seven Step Workforce Planning Model" and the Competencies section of this Toolkit.
- Leaders identify key people, and the organization creates and implements the means of training them for leadership. This involves identifying the work functions critical to the leadership and other key positions of the organization. See the "Professional Development Plan Template for help in designing a training and development plan.
- Succession planning provides a comprehensive inventory of the knowledge, skills and abilities that will be needed to sustain effective leadership in the future.

How Can Succession Planning Help Me? (. . . and my organization)

- A succession plan may help the organization make the paths for advancement visible to employees. This can motivate employees to perform with advancement in mind. They can also more readily see where their work or role "fits" in the larger context of the organization.
- A succession plan creates pathways to appropriate promotion and candidate selection by matching organizational needs with qualified talent, both internal and external. It is also a means to monitor and reward performance and professional development.
- Succession planning can result in improved placement in hiring processes, and improved leadership through development and skilled recruitment.

Succession Planning in the Public Sector

Most public jurisdictions operate under some type of merit system in which applicants and employees are selected for positions based on their qualifications for the job. Equity and fairness are underlying values in merit systems. It is important, therefore, to avoid predetermining who will succeed any given person. All qualified candidates must receive a fair and equitable opportunity to apply and be considered for the job.

This does not prevent the organization from preparing for the departure of staff in key positions by recruiting, training and developing those who show potential to succeed in those positions.

Strategies that Support Succession Planning

Career Ladders: Career ladders are clear and achievable routes for promotion within a defined organizational scope. This scope can be at a division, department, agency or enterprise level. Ladders encourage and facilitate the development and promotion of staff into management and leadership positions, thereby enhancing the effectiveness of succession planning.

Performance Management: Combined with effective performance assessment, consistent and timely performance management ensures employee growth and development, which in turns supports an organization's capacity to promote from within and fill key positions with strong candidates.

Knowledge Transfer: An organization's knowledge transfer performance is high when it has (and uses) clearly defined documentation and communication processes to pass essential information from executives and other key employees to others. This ensures "institutional memory" is shared, not lodged in one individual or unit. It is a key part of succession planning.

Leadership Training and Development:
   Partial List of Training for Leadership Development
- Supervisor Development Program
- Vermont Public Manager Program
- Business Process Management
- Project management
- Team-building
- Communication skills (including conflict management)
- Mentoring and coaching
- Performance management
- Labor relations issues

Knowledge, Skills and Abilities (Competencies): Refer to the "Competency Section" of the Workforce Planning Toolkit for more information.

Steps to Succession Planning

1. Develop a Communication Plan
It is wise, in advance, to have a plan in place for communicating information about the succession planning process throughout your organization. This communication plan should begin with an announcement <u>before</u> the process begins. Communication plans for succession planning are similar to those for overall workforce planning. See the sample "Workforce Planning Communications Plan" for an example, and refer to your organization's workforce planning communication plan, if you have one.

2. Form Your Succession Planning Team
A succession planning team need not be large. If it is small (3 – 5 members), the team may wish to design a strategy session once key positions are identified, to complete the strategy process. Important members or roles for your team include:
- A key HR representative with access to personnel information
- Representatives from among managers
- Representatives from among supervisors
- Someone representing the perspective of the substantial sectors in the organization (this may be by department, division or unit, or it may be by kinds of work performed, subject matter areas, etc.)
- Of the members, ensure two or three are strategic thinkers from various parts of the organization
- You may wish to invite someone from outside your own organization – an external stakeholder, an HR professional from another agency or department, an expert in the field your organization operates in.

3. Identify Key/Critical Positions
   Criteria for key positions:
- Mission: Position is a key contributor to the organizational mission
- Critical Function: Position performs a task critical to vital functions such that leaving it vacant would hinder or prevent success of the mission
- Specialization: Position provides specialized leadership or skills that are difficult to replace
- Location: Position fills a unique and important capacity at a particular location that would be difficult for another position, or the same position in another location, to take over.
- High Turnover: Position is one in a class or occupational group vulnerable to high turnover

4. Conduct Position Analysis
This is to identify the specific skill sets needed in each of the key positions, by identifying key competencies. Refer to the **Competencies** section of the Workforce Planning Toolkit for more information.

Components to be analyzed are listed below. This analysis can be performed via a series of interviews, a task force focus group, etc.

a. Why is this position key or critical?
b. What are the external and internal factors affecting this position?
c. How will the position be used in the future?
d. What competencies or skill sets will be required?
e. What is the current level of preparedness to replace departing staff in this position/group of positions?
f. What are the competency/skill set gaps in current staff?
g. What strategies will be used to address the gaps?

5. Develop Succession Plan

Analyze a comparison between the positions identified and/or the high turnover job classes and the other answers to the above questions. Chart or create a matrix and identify strategies to ensure the organization is able to address the gaps. Include target completion dates, responsible parties and required resources.

Use any of the data and/or gap analysis templates available in this workforce planning toolkit.

6. Implement, Monitor, Assess, Revise

Succession planning, like workforce planning and strategic planning, is an ongoing process. A succession plan may span three to five years, but should be reviewed every six to 12 months. Less than this can lead to missed opportunities or critical events that require rapid